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TAGS: [PREL](#) [IAEA](#) [CH](#) [IR](#) [RU](#)
SUBJECT: U.S.-CHINA ECONOMIC AND SECURITY REVIEW
COMMISSION ROUNDTABLE WITH CIIS SCHOLARS

Summary -----

¶1. (SBU) In response to questions posed by a United States-China Economic and Security Review Commission (USCC) delegation led by USCC Chair Carolyn Bartholomew, scholars from the MFA-affiliated Chinese Institute for International Studies (CIIS) noted that China-Russia relations are enjoying the highest level of cooperation in their history. The scholars said current India-Iran military ties are superficial but could develop in the future. China is upholding its Missile Technology Control Regime (MTCR) commitments and is not aiding the development of Iran's missile program. The Iranian nuclear issue must be resolved through diplomatic means. China's relations with Saudi Arabia are rapidly improving, but the United States should not see increasing China-Saudi energy cooperation as a threat. China is willing to play a role to promote peace in the Middle East, but does not expect a solution in the near future, the scholars said. End Summary.

China-Russia Relations Reach Historical Zenith -----

¶2. (SBU) A USCC delegation led by Commission Chair Carolyn Bartholomew held a roundtable with scholars from the MFA-affiliated CIIS on April 23. Participants are listed in para 8. In response to Vice Chair Blumenthal's query on the status of China-Russia relations, CIIS Senior Research Fellow on Russia Wang Chuan said China and Russia have a strategic partnership. Relations between the two countries are at the highest point in their history. China enjoys cooperation with Russia in a wide range of fields including economics, politics and energy. Russia holds rich oil and gas resources that China needs to maintain its peaceful development strategy. This creates a strong complementary relationship in the field of energy supply. Beijing and Moscow are discussing steps, including the construction of a pipeline, in the field of energy cooperation, but Wang believes that cooperation needs to be intensified

before the construction on the pipeline will begin.

China Assesses India-Iran Military Relations to be Minimal

13. (SBU) In response to Commissioner Wortzel's question on China's assessment of India-Iran military relations, CIIS Senior Research Advisor and retired Major General Xu Lingren said that at present India and Iran do not have strong cooperation between their two militaries. It is likely, however, that India will explore opportunities for deeper cooperation with Iran because this is in India's self interest. India maintains military cooperation with a wide range of countries, including Russia, Western nations and Israel. China will pay close attention to developments in India-Iran military relations, stated Xu.

China Upholding Its MTCR Commitments and Does Not Aid Iran

14. (SBU) Wang Chuan said that during the 1970-80's, China closely cooperated with Iran to develop its missile program. However, after Beijing became a signatory to the Missile Technology Control Regime, it suspended all cooperation with Iran on missile technology. Wang did not address Commissioner Wortzel's question on whether China has concerns about how missile-related sales to Iran in areas not specifically restricted by the MTCR could affect the security of shipping lanes in the Persian Gulf.

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Iran Nuclear Issue Must Be Resolved Diplomatically

15. (SBU) Iran has the right to develop nuclear technology for peaceful use, but the international community is very concerned that Tehran's intention is to build nuclear weapons, stated Wang Chuan in response to Commissioner Fielder's question on the likelihood of resolving the Iranian nuclear issue. Wang, noting that he served in Iran before the Islamic Revolution, stated that even then the Shah had voiced his desire to develop nuclear weapons. It is therefore difficult for the international community to accept that Iran has committed itself to peaceful development. Even though Iran has adopted a defiant attitude in the face of international sanctions, the nuclear issue can still be resolved through diplomatic or political means. The international community must find universal principles and definitions to apply to nuclear power and nuclear weapons development so that there can be clear mutual understanding, Wang said.

China's Improving Relations with Saudi "Not a Threat"

16. (SBU) Because of China's rapid economic development, since 1993 China has had to import oil to meet its energy needs, stated Major General Xu Lingren. By the end of 2006, China imported more than 100 million tons of oil, two-thirds of which came from Middle Eastern countries. Saudi Arabia is the biggest exporter of oil to China. Since diplomatic relations were established between China and Saudi Arabia in 1990, the relationship has developed very rapidly, particularly in recent years. China is cooperating closely with the Saudi government to establish and maintain a strategic energy reserve. Xu stated that China-Saudi relations will not negatively affect other countries.

China's Role in the Middle East Peace Process

¶17. (SBU) The Middle East Peace Process is currently facing a dilemma because the United States, the European Union and the Arab League are all floating their own ideas on how to achieve peace, stated Vice President Gong Xianfu in response to Chairperson Bartholomew's query on China's role in the Middle East. China is supportive of the Road Map laid out by the United States, the European Union, Russia and the United Nations, as well as the Mecca Agreement between the two Palestinian parties and the Arab League Initiative. Beijing is willing to play its unique role in the process and believes that for a breakthrough to be achieved, all parties involved must agree to the UN principles and "land for peace." China is trying hard to leverage the Israeli and Palestinian governments and sent its special envoy Sun Bigan to the Middle East to seek a breakthrough. The problem is too complicated to resolve overnight. Trust has to be built between Israel and Palestine. Neither Palestinian President Abbas nor Israeli Prime Minister Olmert is strong enough to push forward the process. Gong added that while the United States plays an undeniable role in the Middle East Peace Process, Washington's main focus now is on Iraq. Israel and Palestine have many basic problems to resolve such as borders, refugees and the creation of an independent state. These issues will not be solved in the short term.

¶18. (SBU) Participants:

United States-China Economic and Security Review Commission:

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Carolyn Bartholomew, Chair
Daniel Blumenthal, Vice Chair
¶C. Richard D'Amato, Commissioner
Jeffery Fielder, Commissioner
Larry M. Wortzel, Commissioner
Marta McLellan, Analyst

China Institute For International Studies:

Gong Xianfu, Vice President (served in Israel, Saudi Arabia, Egypt)
Wang Chuan, Senior Research Fellow (served in Russia and Slovakia)
Xu Lingren, Senior Advisor and retired Major General (served in Iran)

¶19. (U) The USCC delegation has cleared this message.
RANDT